

§ 460.10

operates under a PACE program agreement, including any contract year during which the entity operated under a PACE demonstration waiver program.

Subpart B—PACE Organization Application and Evaluation

§ 460.10 Purpose.

This subpart sets forth application requirements for an entity that seeks approval from HCFA as a PACE organization.

§ 460.12 Application requirements.

(a) *General.* (1) An individual authorized to act for the entity must submit to HCFA a complete application that describes how the entity meets all requirements in this part.

(2) HCFA evaluates only complete applications from entities located in States with approved State plan amendments electing PACE as an optional Medicaid benefit.

(3) HCFA accepts applications from entities that seek approval as PACE organizations beginning on February 22, 2000 except for the following:

(i) Beginning on November 24, 1999, HCFA accepts applications from entities that meet the requirements for priority consideration in processing of applications, as provided in § 460.14.

(ii) Beginning on January 10, 2000, HCFA accepts applications from entities that meet the requirements for special consideration in processing applications, as provided in § 460.16.

(b) *State assurance.* An entity's application must be accompanied by an assurance from the State administering agency of the State in which the program is located indicating that the State—

(1) Considers the entity to be qualified to be a PACE organization; and

(2) Is willing to enter into a PACE program agreement with the entity.

§ 460.14 Priority consideration.

Until August 5, 2000, HCFA gives priority consideration in processing applications for PACE organization status to an entity that meets either of the following criteria:

(a) Is operating under PACE demonstration waivers under one of the following authorities:

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(1) Section 603(c) of the Social Security Amendments of 1983, as extended by section 9220 of the Consolidated Omnibus Budget Reconciliation Act of 1985.

(2) Section 9412(b) of the Omnibus Budget Reconciliation Act of 1986.

(b) Has applied to operate under a PACE demonstration under section 9412(b) of the Omnibus Budget Reconciliation Act of 1986 as of May 1, 1997.

§ 460.16 Special consideration.

Until August 5, 2000, HCFA gives special consideration in processing applications to an entity that meets the following conditions:

(a) Indicated, by May 1, 1997, a specific intent to become a PACE organization through formal activities.

(b) Includes documentation of its formal activities.

§ 460.18 HCFA evaluation of applications.

HCFA evaluates an application for approval as a PACE organization on the basis of the following information:

(a) Information contained in the application.

(b) Information obtained through on-site visits conducted by HCFA or the State administering agency.

(c) Information obtained by the State administering agency.

§ 460.20 Notice of HCFA determination.

(a) *Time limit for notification of determination.* Within 90 days after an entity submits a complete application to HCFA, HCFA takes one of the following actions:

(1) Approves the application.

(2) Denies the application and notifies the entity in writing of the basis for the denial and the process for requesting reconsideration of the denial.

(3) Requests additional information needed to make a final determination.

(b) *Additional information requested.* If HCFA requests from an entity additional information needed to make a final determination, within 90 days after HCFA receives all requested information from the entity, HCFA takes one of the following actions:

(1) Approves the application.